

DISCLAIMER

This electronic version of an SCC order is for informational purposes only and is not an official document of the Commission. An official copy may be obtained from the [Clerk of the Commission, Document Control Center](#).

COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JULY 26, 2000

NOTIFICATION OF

STONE MOUNTAIN ENERGY, LC

CASE NO. PUE000348

To furnish natural gas service
Pursuant to § 56-265.4:5 of the
Code of Virginia

ORDER DOCKETING PROCEEDING AND PROVIDING NOTICE

On June 29, 2000, Stone Mountain Energy, LC ("Stone Mountain"), notified the State Corporation Commission (the "Commission"), pursuant to § 56-265.4:5 of the Code of Virginia ("Code"), of its plans to furnish natural gas service to the Pizza Plus, a Virginia corporation operating as a restaurant at Rose Hill in Lee County, Virginia.

According to its notification documents, Stone Mountain is a Virginia limited liability corporation engaged in the exploration for, gathering of, and production of natural gas. Stone Mountain's wells and gathering systems are located in Harlan County, Kentucky, and Lee County, Virginia in close proximity to Pizza Plus. The location of Stone Mountain's gathering lines and service laterals and the Pizza Plus facility are shown on a map labeled as Exhibit A attached hereto.

To provide gas service to Pizza Plus, Stone Mountain proposes to construct an additional facility consisting of approximately 40 feet of two-inch (2") pipeline and one (1) sales meter. The gathering system, including the meter, is or will be covered by Stone Mountain's gathering pipeline permits to be issued by the Virginia Department of Mines, Minerals, and Energy.

Stone Mountain plans to produce and sell natural gas to Pizza Plus and advises in its notification that the gas provided to Pizza Plus will be used solely for Pizza Plus' energy requirements as it relates to cooking, water heating, and facility heat. Stone Mountain represents in its notification that it has agreed to supply daily volumes of natural gas equal to Pizza Plus' total requirements, but not more than 10 decatherms daily. Such gas will be used by Pizza Plus exclusively for its own consumption at the restaurant site. Stone Mountain states that the price per MMBtu of gas to be paid by Pizza Plus for delivery of natural gas at the sales meter will be \$6.75 per MMBtu, which is equivalent to the rates paid by retail customers of a size similar to Pizza Plus. Stone Mountain states that to the best of its knowledge the company falls under the exemption from public utility status pursuant to § 56-265.1 (b)(4) of the Code as the company would be selling gas and providing ancillary transmission and delivery

service to fewer than thirty-five (35) commercial or industrial customers at facilities which are located within a territory for which a certificate of public convenience and necessity has not been granted and, at the time of the company's notice pursuant to § 56-265.4:5 of the Code, the facilities are not located within any area served by a municipal corporation that provided gas distribution service as of January 1, 1992.

The notification further advised that gas service is expected to commence immediately upon determination by the Commission that the facility is located in a territory for which no certificate of public convenience and necessity has been granted to supply natural gas.

On July 7, 2000, the Staff of the Commission filed a memorandum, advising that Pizza Plus would not be located within a territory for which a certificate of public convenience and necessity has been granted and that, as of the time of receipt of Stone Mountain's notice, the facilities would not be located within any area served by a municipal corporation that provided gas distribution service as of January 1, 1992.

A legal description of the location of Stone Mountain's distribution line to Pizza Plus follows:

Description of Stone Mountain Energy, LC's
Distribution Line to Pizza Plus

Beginning at Stone Mountain Energy, LC's meter located near a power pole beside an access road to the DeRoyal Surgical 3D building approximately 3600' West of the town of Rose Hill, Virginia. The service line, beginning at this point, runs in an easterly direction approximately 40' to the delivery/meter point located at the Northwest corner of the newly renovated Pizza Plus building.

NOW, THE COMMISSION, upon consideration of the captioned application, the applicable statutes, and having been advised by its Staff, is of the opinion that this matter should be docketed. The Commission further finds that Pizza Plus will not be located within a territory for which a certificate to provide gas service has been issued by the Commission, and that as of the time the Commission received Stone Mountain's notification, the facility is not located within any area, territory, or jurisdiction served by a municipal corporation that provided gas distribution service as of January 1, 1992. Further, the Commission finds that a copy of the captioned notification should be made available for public inspection in the Commission's Document Control Center during regular business hours, and that a copy of this Order should be mailed to all public utilities providing gas service in the Commonwealth as notification of Stone Mountain's plans to furnish gas service. Within sixty (60) days of entry of this Order, any jurisdictional natural gas public utility may file an

application to provide natural gas service to the area identified in Exhibit A hereto.

Accordingly, IT IS ORDERED THAT:

(1) This matter shall be docketed and assigned Case No. PUE000348.

(2) A copy of the captioned notification shall be made available for public inspection in the Commission's Document Control Center, located on the first floor of the Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, during the hours of 8:15 a.m. to 5:00 p.m., Monday through Friday.

(3) A copy of this Order shall be served upon all jurisdictional public utilities providing natural gas service in the Commonwealth listed in Appendix A.

(4) Within sixty (60) days of the entry of this Order, any jurisdictional natural gas public utility may file an application with the Commission to provide natural gas service within the area identified in Exhibit A hereto.

(5) This matter shall be continued until further Order of the Commission.